Utilities
Capital Projects Budget

The City of College Station develops and adopts a five year Capital Improvement Projects (CIP) List. The list is updated annually and is presented for City Council review as a part of the annual budget process. The list consolidates all anticipated capital needs for which funding authorization exists. The list is divided into several sections depending on the services provided and the funding source. Outlined in this section of the CIP Budget document are the capital projects of the Water, Wastewater and Drainage funds.

Revenue bonds are authorized to be issued any time there is a need for financing capital construction or acquisition and where the asset will reside in one or more of the City's enterprise funds. Generally, revenue bonds do not require voter approval. The bonds are repaid from revenues generated by the utilities.

Revenue bonds in the amount of $6,000,000 are projected to be issued for the water capital improvement projects and revenue bonds in the amount of $3,000,000 are projected to be issued for wastewater capital improvement projects in FY06.

Among the decisions and proposals that accompany capital project recommendations is an analysis of potential ongoing costs and any potential impact on utility rates that a project may have.

UTILITY CAPITAL PROJECTS

Electric Capital Projects

$14,227,272 is the budgeted expenditure amount for electric capital projects in FY06. As the electric capital projects are considered competitive matter, details of these projects cannot be outlined in this summary, but will be provided to the City Council.

Water Capital Projects

In FY06, $13,515,161 is the approved expenditure for water capital projects. Included is $1,900,000 for the construction of three shallow wells that will allow our water production to meet projected peak demand capacity. Funds have been projected for the three additional shallow wells to be constructed over the next two fiscal years. The shallow wells will sustain production levels until a deep well can be constructed. Other significant production projects include the replacement of the chlorine disinfection system at the Dowling Road Pump Station. It is estimated that $2,452,000 will be spent over the next two fiscal years for this project. In addition it is projected that $1,211,000 will be spent on water plant security upgrades in FY06 and FY07.

Significant distribution projects include $540,000 projected for FY06 for the Wellborn Road Widening project. The total cost of this project is anticipated to be $2,740,000, but it is expected that the City will be partially reimbursed by TxDOT for the cost of this project upon completion. $2,302,000 is projected to be spent in FY06 for the extension of water service into areas annexed in recent years. These extensions include Rock Prairie/Bird Pond, Arrington Road, Barron Road and Lick Creek/Rock Prairie.

Rehabilitation projects budgeted for in FY06 include $100,000 for the replacement of the Barron Road water line and meters in conjunction with the upgrade of Barron Road to a minor arterial. $267,554 is budgeted for FY06 for the relocation of water lines along Texas Avenue as a result of the TxDOT widening project. Additionally, $3,119,095 is projected in FY06 and FY07 for Southside rehabilitation projects.

The Approved FY06 Budget includes $1,000,000 in current revenues that will be transferred from operations to fund water capital projects. Additionally, a debt issue of $6,000,000 is projected for issuance in FY06 for water capital projects.

Wastewater Capital Projects

The FY06 Approved Budget includes $7,454,628 in expenditures for numerous wastewater capital projects. Collection projects include $468,000 for phase I of the Northeast Trunk Expansion. This project will replace the sewer line at Highway 6 near the FM 60 interchange and will have a total cost of $715,500. Funds are also projected in FY06 for the Lick Creek Parallel Trunk Line. $250,000 is projected to be spent in FY06 for this project. An additional $1,000,000 is projected for FY07 and $1,750,000 for FY08. $566,000 is budgeted in FY06 for recently annexed areas.

$500,000 is projected in FY06 for the completion of the replacement of the Carters Creek Screw Lift System. Consistent with the Water capital projects, significant funds are projected for Southside sewer upgrades in FY06 and in future years.

Treatment and disposal projects include a budgeted $550,000 in FY06 and FY07 for odor control improvements at the Carters Creek Treatment Plant. $550,000 is also projected over the next two fiscal years for UV treatment improvements at the plant. It is estimated that $652,000 will be spent in FY06 for sludge processing improvements and an additional $50,000 is

budgeted in FY06 for sludge facility improvements. Other anticipated improvements include the replacement of the SCADA system and the construction of a dedicated maintenance building.

A total of $2,000,000 in current revenues from operations is budgeted to be used to fund wastewater capital projects. Additionally, a debt issue of $3,000,000 is projected for issuance in FY06 for wastewater capital projects.

Drainage Capital Projects

The approved FY06 drainage capital projects budget includes a projected $4,600,613 for improvements to the City's drainage system. Significant projects include a projected $1,959,898 for improvements to the Bee Creek main channel. Consistent with the other capital funds, $945,000 is budgeted to be spent in FY06 and in FY07 for Southside drainage improvements. Funds are also included for drainage improvements on Wolf Pen Creek. Additionally, $210,000 is budgeted for a drainage detention project on University Drive.

ADDITIONAL O&M COSTS

The City of College Station strives to provide superior electric, water, and wastewater services to its citizens. Part of this effort includes investment in the capital that makes up the infrastructure. These investments take place in the form of capital improvement projects. Some of these improvements require additional operating and maintenance costs. These costs are identified and ultimately become part of the cost of providing these utility services.